

*Appointments*

REMARKS OF HONORABLE JOHN E. FOGARTY, M.C., 2nd DISTRICT OF RHODE ISLAND  
ON THE FLOOR OF THE HOUSE OF REPRESENTATIVES. AUGUST 29, 1957.

*Speech 1957*

These are the closing moments of the First Session of the 85th Congress. There is some pressing business still to come before the House prior to adjournment. The important items of business on our agenda are well known to all of us in Congress, as they are to the nation. Only a matter of the utmost urgency should be brought up on the floor if it is a departure from the specific issues that await our consideration.

I am convinced that the irresponsible and arbitrary actions of the Bureau of the Budget--actions which reverse the considered judgment of Congress and flout the expressed will of the American people--constitute a matter of such urgency.

I am talking about the apparently deliberate refusal of the Executive Office of the President's Bureau of the Budget to permit the Executive agencies to spend, or even to plan to spend, the sums of money appropriated by Congress and approved by the President as the necessary and proper expenditures for these agencies and departments.

I will not generalize. Let me be specific.

On June 27 of this year, the Congress voted an appropriation bill for the Department of Health, Education, and Welfare. Two days later, the President signed this bill into the law of the land. Among other vitally important programs for which this bill provided--programs which affect all Americans in a very direct and personal way, like social security, education, vocational rehabilitation, and food and drug regulations--there were eight appropriations totalling \$211 million for research against cancer, heart disease, mental illness, and the other diseases that kill and cripple

millions of Americans each year.

I do not need to tell my colleagues that this year, perhaps more than any other year in recent history, appropriation bills have been considered with great care; nor do I need to tell my colleagues why this has been true. In most instances, the Administration's appropriation requests have been cut back, reflecting the commitment of Congress to reduce unnecessary Federal spending and stop the threatening upward spiral of inflation.

In some individual instances, however, the Congress voted more funds than the Administration requested. This is one of its responsibilities, in the final analysis--to review these requests for funds, to evaluate them, and to act on them--to cut them, approve them, or increase them, according to the considered best judgment of the Congress in session. A cornerstone of our Constitutional system rests on this authority and responsibility of Congress to set the fiscal and legislative base for the programs of the Executive Branch of the Federal government.

In the case of the medical research programs of the National Institutes of Health--after weeks of hearings and discussions involving literally hundreds of witnesses before both houses of Congress--we provided a modest increase in the requested funds--from \$190 million to \$211 million. I will highlight the importance of these appropriations with four simple statements of fact: first, these funds support more than one-third of all the medical research done in this country today; second, many of the great recent advances against disease have resulted from research supported by these appropriations; third, the experience of both Houses of Congress over a period of many years has been that these programs have been accorded,

because they have merited, the confidence and respect of our country's scientific institutions and of people everywhere; and fourth, the effect of denying a large part of the needed funds for these programs, or of creating a feeling of uncertainty as to their availability, is sure to be seriously damaging and may be catastrophic.

Despite these facts, and despite their knowledge of the conviction of Congress that these programs should receive sustained and far-sighted support, a handful of the President's advisors have apparently decided that the full amount of the funds appropriated for the National Institutes of Health shall not be spent--although Congress and the President want it to be available if needed. Even today, nearly two months after President Eisenhower signed the bill into law, and after an incredible series of contradictory and delaying acts, the situation is far from clear. Those who direct these programs have been told they are permitted to spend--and this only after some extreme pressure on the Bureau of the Budget from Congress and from the Secretary of Health, Education, and Welfare, Mr. Folson--most, but still not all, of what they need in the first quarter of Fiscal Year 1958. They still do not know, and Secretary Folson does not know, what they will be permitted to spend for the rest of the Fiscal Year by those omniscient and omnipotent manipulators of the Federal fiscal processes who advise the President but do not feel compelled to carry out his orders after he has appraised their advice and made his decision.

I will not go into any of the harrowing details. A simple chronology of the events related to the National Institutes of Health appropriation since June 27 will make my point.

On that date, their bill, which increased the President's appropriation request by \$21 million, was passed and sent to the White House.

On June 29, the President signed the bill into law.

Yet the day before, June 28, the Director of the Bureau of the Budget had issued instructions which not only forbade spending at the level approved by the President the next day, but--incredible as it sounds--directed a pattern of spending which for the National Institutes of Health would be actually below what the President had asked Congress to appropriate in the first place.

On August 7, the Bureau of the Budget advised Secretary Folsom that it couldn't make up its mind about the full year, but that he would have to cut roughly \$17 million out of the first quarter's spending for the eight appropriations.

On August 13, Secretary Folsom asked the Bureau of the Budget to reconsider, and they yielded a little bit.

On August 20 Secretary Folsom again asked them to reconsider, and they yielded a little bit more.

It is not for me to say how much effect was made by the inquiries of Congress as to the status of these matters during the time they were in negotiation. A committee of the Senate chaired by the distinguished Senator from Alabama, Lister Hill, looked into it. A committee of the House, which I am privileged to chair, looked into it twice. I cannot feel that it was a very rewarding experience for any of us. Certainly there has been no clarification either as to general policy or as to specific intent



on the part of the Bureau of the Budget. The National Institutes of Health are still nearly \$800,000 short of their needs for research in their own laboratories in Bethesda during the first quarter. And they still have no idea how much, during the remainder of the year, they will be permitted to spend of the total of \$211 million appropriated for the medical research they conduct and the research and training they support among the nation's medical schools and universities.

I am sure it must be apparent, even to the uninitiated, that medical research cannot go forward in the face of these fiscal uncertainties. Those who do research and those who foster environments where creative research can thrive have every right to expect stability and continuity in that part of their support derived from the Federal government. They do not expect arbitrary and capricious action of the kind that has characterized the Bureau of the Budget's handling of these appropriations this year. Such actions sow seeds of uncertainty and indecision among the scientific community and do irreparable damage of a deep and lasting nature.

I want to emphasize what I mean by the National Institutes of Health. It is not, as some may think, just a group of laboratories in Bethesda, Maryland. They are part of it, and they do splendid work, and they must be supported at adequate levels so their scientists can continue to make the outstanding contributions to the Nation's health that they have made in the past.

Much more important, however, is the fact that through the National Institutes of Health a large segment of all the medical research in this country is supported. Thus we are not concerned here with the simple maintenance of a government bureau. When doubt and uncertainty creep into the fiscal picture,

it shakes the entire medical school and university world by undermining their confidence in the stability of government support. The Congress by its actions and the Public Health Service by its wise and careful administrative leadership have gradually built up this confidence as these programs have come into being and developed in size and in stature since World War II. I am sure it is the intention of every member of Congress that the scientists and scientific institutions who are part of this national research effort against disease should not feel insecure in this support. Yet we find that all of the confidence that has been built up through the years can be undermined by a few people in the Budget Bureau who do not understand the significance of stable support and apparently do not care if our medical research effort is strong or weak, as long as they can juggle figures to what they think to be their own advantage.

Last year, nearly 7000 research projects in 700 research institutions all over the country were supported by these funds. More than 3000 people were being trained for careers in medical science and related fields. These are not statistics. They are people, and they are the people who are and will be the producers of new knowledge which will benefit all mankind. They know, as you and I know, and as all thoughtful people know, that medical research cannot be turned on and off like a faucet under the hand of some master planner.

Yet not two weeks ago, I had a desperate call from a distinguished scientist. He had trained for a career in medical research and teaching -- long, hard years of specialized work in which the only rewards were those satisfactions that come to a scientist in the accomplishment of the

progressive steps of his career. He had submitted an application for research grant support from the National Institutes of Health. That application was reviewed by the groups of nonfederal scientists and laymen who advise the Surgeon General on the scientific merits of each application. The project was recommended highly, and the Surgeon General approved it. The scientist was notified of this action, but at the same time he was told that it was dependent on the availability of funds. So far so good. But now came the impact of the Bureau of the Budget. The scientist wants to make the study, his institution supports him, the project is found worthy of support by an outstanding scientific review panel, the Surgeon General wants to support the study, the Congress appropriates funds which permit such support, the President signifies his assent -- and yet there follows a period of shilly shallying, of backing and filling, of delay and confusion. The weeks pass. The scientist is uncertain. He wants to think everything is all right. To do the study, he has to make his plans, hire technical staff, arrange for laboratory space, reapportion part of his teaching load. These things must be done in the spring and early summer if they are to meet the needs of the academic year. Yet Public Health Service officials are not permitted to definitely commit the funds to him. There was something in one of the Bureau of the Budget's directives about not approving any new grants. Other bureaucratic phrases fly thick and fast. They add up to the fact that the scientific administrator in Washington cannot tell the scientist in the university that the funds are on their way. And so he, having once had confidence in the stability and leadership of this Federally supported research program, has to call me, his Congressman, to see if I can help resolve his bewilderment.

I must say, with a great deal of chagrin, that I was not able to give him, nor was I even able to find out, the answers.

I am disturbed to think what might have happened on these apportionments had Congress not happened to be in session during the period of time when this sequence of contradictions and equivocations took place.

Let me remind you, too, that this is not an isolated instance. Last year, for example, and in connection with these same appropriations I have been discussing, the techniques were different but the apparent intent was the same. Again the Bureau of the Budget withheld the right to spend appropriated funds. They said, in effect, spend at a curtailed rate until you have justified to our satisfaction that you can spend the newly appropriated amount wisely -- and then made sure they were not satisfied until the year was more than one-quarter gone, thus assuring themselves of savings which were in fact forced by these delaying tactics and resulted in a shrunken program.

I have talked about this issue in terms of medical research not because it is unique, but because it so clearly makes the point. Other Public Health Service programs have been similarly affected, as have other important functions throughout the Department of Health, Education, and Welfare, whose programs are so intensively scrutinized by the appropriation committee of the House which it is my privilege to chair.

I cannot say from first-hand experience whether the same situation prevails among other agencies. I doubt, however, if there are many whose appointed heads are as forthright and as consistent as Secretary Folsom. Although he must have been subjected to tremendous pressures from the President's budget intermediaries, he has steadfastly refused to compromise



his principles or the Department's program. It is ironic indeed that he must make such fights within his own family, but he is the more to be praised for standing up for what he thinks is right.

It is altogether inappropriate and perhaps impolitic for me to interpret his position. I would have to guess from his actions, however, that he believes in careful budget formulation and thoughtful budget defense, followed by prudent administration of appropriated funds so that if there are savings, they are the product of economical administration rather than the arbitrary prejudgment of a group of slide rule experts whose calculations totally ignore the substance of the programs involved and their present and potential meaning to the American people.

It is my conviction, gentlemen, that if this trend is permitted to continue, it will make a mockery of the established and proved appropriation processes of Congress. We can hold all the hearings we want, and render the most considered judgment of which we are capable in the public interest, but it has no meaning if the Bureau of the Budget -- with or without Presidential instruction or that of the Assistant President -- interferes with the orderly processes of government by imposing fiscal restraints in direct contravention of the will of Congress. And they do this on the slender pretext of the Anti-Deficiency Act, which was designed to prevent over-spending by executive agencies, and not to superimpose their judgment on that of Congress.

I do not suggest that there is any grand strategy behind this series of moves. It would be unthinkable that - having capitalized on the plans for extending traditional and creating new programs which the public wants -- this Administration could now abandon them and deliberately contrive enforced

savings so that there can be a possibility of a tax reduction in an election year at the expense of the health of the American people. I would rather think that it is merely short-sighted budget maneuvering on the part of a handful of misguided people that underlies these events.

For I know, as you my colleagues know, what is at stake. It is not merely an issue between the Legislative and Executive Branches -- although preservation of our respective roles is of the utmost importance. Just as important, however, is the fact that those who direct the affected programs cannot do what clearly needs to be done in the public interest.

Let me illustrate, again, from the National Institutes of Health.

During the first quarter of the fiscal year, the Bureau of the Budget-- after first trying to withhold \$17 million for these programs -- finally withheld just over \$700,000 appropriated by Congress for laboratory research and clinical investigations at Bethesda. This is still under appeal, but even if the appeal is won, a great deal has been lost -- confidence and morale, to be sure, but also definitive studies of the kind not one of us would wish to see curtailed. Let me cite a few: research on the Asian influenza vaccine and on the disease itself; marked expansion of studies of radiation as part of the broad field of physical biology; a new study centered in Panama and dealing, among other things, with the continuing threat of yellow fever; a new project which initiates a program of research against mental illness within expanded clinical facilities at St. Elizabeths; a comprehensive, multidiscipline study of the biological aspects of aging; an expansion of the promising research field represented by viruses and cancer; establishment of studies in both metabolic and infectious diseases, using animals in germ-free environments as the research tools.

The successful conduct of research of this kind is certain to yield important advances in medical science and may mean the difference for many Americans between health and productivity on the one hand, and death and disability on the other.

It is not, of course, only the research programs of the Institutes that are affected. In combination, the restrictions placed on initial spending and the uncertainties over how much can be spent during the full year are certain to inflict damage on all of the major programs of the Department, including other activities of the Public Health Service.

The Department, as you know, is fairly young. But it is composed of a number of established activities. Grouping them together as the Department of Health, Education, and Welfare was a great forward step. In addition to giving the individual programs a frame of reference, it also permits and encourages a coherent and unified attack on certain major problems with which the Department is faced. And now these complex programs are also impeded by false economy and threatened by budgetary confusion.

A typical example is in the work of the Department related to our older citizens -- the aged and infirm. I have pressed the Department hard for three years to assert more leadership in this field. Finally they have at least made a good beginning. Elements of the Department's new and promising program are found in the Social Security Administration, the Office of Education, the Office of Vocational Rehabilitation, and all three bureaus of the Public Health Service, as well as in the Secretary's own office. And now even this good start is being cut back. Does the Bureau of the Budget really think they know better than the whole Department how appropriated funds for



these programs can most effectively be spent? Is there any one of them who knows anything at all concerning the substance of these programs which they so casually reduce or destroy?

The same thing can be said for mental health and mental retardation. I have discussed and studied this field in general and in specific for almost all of my seventeen years in Congress. This does not qualify me as an expert. But I know that this is a problem of immediate and alarming proportions. The mentally ill, the severely disturbed, the psychologically or physically handicapped children -- I am convinced that we cannot and must not fail to do whatever we can on their behalf. And yet we find research and study in this field being forbidden even though Congress has made money available -- even to the unbelievable point of impeding the small beginning made by the Office of Education in studies of how better to teach the mentally retarded up to their optimum educational level.

I say we cannot permit a handful of numbers experts in the Bureau of the Budget to decide whether such studies should or should not be undertaken. With me, this is both a practical matter and a matter of principle.

I call upon the Administration to cease these confusing, delaying, and damaging practices. I shall watch the fiscal events of this year with a great deal of interest. If there is no improvement during the next budget and appropriation cycle, I will most certainly seek full discussion and appropriate action to assure Congress and the American people that this disturbing threat to our system of government is remedied.



But this is not enough, because this is remedial and not immediate action. I also call upon the President of the United States to take steps now to untie the hands of the program people in his Executive Branch. I cannot believe that he knows what is happening in his name. He has gone on record many times to confirm his belief in and support of medical research. He cannot be aware that his own staff is undercutting programs which reflect his own convictions.

I am sure that the remarks I make here to alert the House of Representatives will be brought to his personal attention. I feel sure that when he knows the facts, he will order the Bureau of the Budget to stop this high-handed and destructive practice at once.